

ESTABLISHING A CHECKLIST AND LIVE/WORK SPACE GUIDE TO ASSIST YOU IN THE PROCESS IN LOUISVILLE, KY



**LOUISVILLE JEFFERSON COUNTY
METRO WELCOMES YOU AND THANKS
YOU FOR CONSIDERING LOUISVILLE
AS YOUR BUSINESS LOCATION.**

The attached checklist is a guide to help lead you through the process of establishing live/work space in an existing building, rehabilitating it to meet your needs, and opening your business in Louisville, Kentucky. Louisville Metro has regulations in the form of ordinances, code requirements, guidelines, and review processes that guide the development process. This checklist is intended to provide you with an overview of the range of issues that you may have to address as you move your project forward. It is not intended to be an all-inclusive list. It is your responsibility to meet all requirements of the government where applicable to your specific project.

Please review the following pages carefully and refer to the many sources of information available through websites and by contacting individual agencies, governmental offices, and organizations that are here to assist you. Thank you and we look forward to working together.

CONTACTS:

Louisville-Jefferson County Metro
Mayor Greg Fischer
www.louisvilleky.gov
502.574.2003

Visit the Metro Development Center
444 S 5th Street Louisville, KY 40202

Planning and Design
502. 574.6230

Codes and Regulations,
Construction Review
502.574.3321

Economic Growth and Innovation
502.574.4140



✓ **LIVE/WORK UNIT**

A structure or structures held in single ownership and containing one of the following:

(1) commercial or office use not to exceed more than 50 percent of the floor area and residential use which shall include the balance of the remaining floor area, or (2) residential use which utilizes up to 100 percent of the floor area. Regardless of the zoning district, Live/Work Units shall be considered a residential use. The live/work amendment can be found at the end of this document and online as part of the Land Development Code (Chapter 4.3.19).

Contact: Louisville Metro Planning & Design Services, 502.574.6230
<http://www.louisvilleky.gov/PlanningDesign/lcdc/>

✓ **BUSINESS BASICS**

BUSINESS NAME AND BUSINESS PLAN – Creation of a business plan is typically a prerequisite for securing a loan to start a business. The Louisville Small Business Development Center offers assistance to new and existing entrepreneurs through a variety of programs.

Contact: Small Business Development Center, 502.574.1378
<http://www.ksbdc.org/locations/louisville>

METRO TAX ID# APPLICATION – For tax purposes, all businesses are required to be registered with the Louisville Metro Revenue Commission. As stated in the Land Development Code 4.3.19: An active license to conduct business within the jurisdiction shall be associated with the Live/Work Unit at all times, and proof of this license shall be presented as part of any application for live/work space under this section.

Contact: Louisville Metro Revenue Commission, 502.574.4860,
<https://www.metrorevenueservices.org/Registration/>

STATE TAX APPLICATION – If you are starting a new business in Kentucky or beginning a new activity, you may need to register with the Department of Revenue.

Contact: Kentucky Department of Revenue, 502.564.3306
<http://revenue.ky.gov/business/register.htm>

BUSINESS LICENSING – information to assist you in determining if you need to acquire business licenses can be found in the online Business Licensing Guide for Louisville Metro.

http://www.louisvilleky.gov/NR/ronlyres/F215065A-C6B3-4B51-B923-A8760F5F6EAB/0/Business_Licensing_Guide.pdf

✓ **SELECTING YOUR LOCATION**

You may want to consult with a professional realtor to help guide you through the process of selecting a location. If you are leasing, consider negotiating the deal so that you are allowed time to conduct inspections and get government approval to open.

Land Bank Authority – The Land Bank Authority acquires, manages and sells distressed properties and vacant unimproved parcels to responsible developers who can affect increased property values and stimulate the tax base. For more information including how to purchase property from the Land Bank Authority and a current Property Inventory please visit:

<http://www.louisvilleky.gov/CSR/Revitalization/Landbank+Authority+Inc.htm>





✓ **BUSINESS INCENTIVES AND ASSISTANCE**

Louisville Metro Government provides programs that assist with start-up capital, capital improvements to commercial and public properties and tax incentives. Through the relationship between the Office of Economic Growth and Innovation and Greater Louisville Inc., companies who may qualify for state loans or tax credits are connected to the state's Cabinet for Economic Development.

Contact: Office of Economic Growth and Innovation, 502.574.4140 <http://www.louisvilleky.gov/economicdevelopment/businessdevelopment>

THE METROPOLITAN BUSINESS DEVELOPMENT CORPORATION (METCO) – METCO governs Louisville Metro Government's small business loans including the Façade Loan program. The Façade Loan is available to commercial property owners to revitalize neighborhood commercial corridors in Louisville. Façade loans are awarded for exterior property improvements, including window and door replacements, storefronts, masonry repair, siding, painting, carpentry, signage, and landscaping. Often, a professional architectural rendering is offered to a potential borrower to identify necessary building improvements.

Facade loans are offered at a fixed interest rate of 3% over 10 years, making this an attractive program for revitalizing large target areas. Loans are typically secured with a lien on the improved property and the personal guarantee of the borrower.

Contact: Dept. of Economic Growth and Innovation, 502.574.4140

<http://www.louisvilleky.gov/economicdevelopment/businessdevelopment/LoanPrograms.htm>

COMMUNITY SERVICES AND REVITALIZATION MICROBUSINESS PROGRAM – The Louisville Metro Department of Community Services and Revitalization offers a microbusiness program to help low and moderate income business owners with starting and growing small businesses. A microbusiness employs five or fewer people, including the owner. The program includes training technical assistance and an opportunity to apply for a loan.

Contact: Dept. of Community Services and Revitalization, 502.574.5168 or 502.574.5866

<http://www.louisvilleky.gov/CSR/Community+Services/Microbusiness+Program.htm>

TAX MORATORIUM – The assessment moratorium program provides an incentive for making improvements to qualifying residential and commercial buildings in Louisville Metro by providing a 5 year moratorium of some of the local tax assessment that would result from the improvements.

To be eligible the structure must be at least 25 years old and the improvement must comply with one of the following: The cost to repair, rehabilitate, restore or stabilize is equal to at least 25% of the value of the improvements, (building, not land) as based on the latest assessment made by the Jefferson County PVA; or The qualifying property is within a "target area," a census tract where at least 70% of the residents living in the tract have income below 80% of the median income for Jefferson County, or 20% of the residents living in the tract have incomes below the poverty level. PVA can assist in identifying these target areas. The costs of the improvements in this case must be at least 10% of the value of the improvements to the property based on the PVA's latest assessment; or the qualifying property will, at the conclusion of the plan of improvement, be a LEED Certified property based on the Leadership in Energy and Environmental Design standards in effect at the time of application.

The application must be made at least 30 days BEFORE any construction work on the property is begun. All other required permits and approvals shall be properly obtained prior to beginning any work.

Contact: Louisville Metro Codes and Regulations 574-3321

http://www.louisvilleky.gov/NR/rdonlyres/C07A4941-BA43-4BCC-B463-44FCD748606B/0/Tax_Moratorium.pdf

PVA (JEFFERSON COUNTY PROPERTY VALUATION ADMINISTRATOR) – The Jefferson County PVA is a locally elected official who is charged with assessing all property, both real and personal, with the following exceptions that are valued by the Kentucky Department of Revenue in Frankfort: public service companies, bank shares, omitted tangible property, and vehicles. The PVA's most complex task is the appraisal of all real estate in the county for listing on the property assessment roll. Tracking ownership changes, maintaining maps, updating building characteristics, and administering proper exemptions for real property are also continuing duties of the PVA.

Your Property Valuation Administrator's office does not set property tax rates, nor does it collect property taxes. The office only assesses the "fair market value" of property to be taxed. There are two components that determine your property tax bill: assessed value and tax rate. Taxing authorities such as city, county, and state governments, as well as school boards, determine the tax rate.

Contact: Jefferson County PVA 502.574.6380
<http://jeffersonpva.ky.gov/>

☒ **ZONING AND FORM DISTRICT REQUIREMENTS**

Zoning District refers to any area within Jefferson County delineated on the Zoning District Map to which a set of regulations governing permitted land use, density and intensity of development applies. Form District refers to a designation of a property under the Land Development Code (LDC) that designates its physical characteristics. The LDC then guides future improvements and construction to maintain the physical characteristics, or form, of that district.

ZONING DISTRICTS WHERE LIVE/WORK UNITS ARE PERMITTED:

In Traditional Form Districts only, R-4, R-5, R5-A, R5-B; in all Form Districts, R-6, R-7, R-8A, OR, M-1, M-2, M-3, and EZ-1. Regardless of the zoning district, Live/Work Units shall be considered a residential use.

Use the link below for instructions on how to determine the zoning classification for a property.

Contact: Louisville Metro Planning & Design Services, 502.574.6230
<http://www.louisvilleky.gov/PlanningDesign/IWantTo/Find+a+Zoning+District.htm>



To determine the use intended for the property is allowable under the existing zoning please refer to the Land Development Code.

Contact: Louisville Metro Planning & Design Services, 502.574.6230
<http://www.louisvilleky.gov/PlanningDesign/Ldc/>

SIGNAGE – Signs must meet dimensional and location standards based on the form district designation of the property, the use of the property, and the size of the wall face. Additional requirements may apply if the property is in an Overlay District or Preservation District. Signage must be approved and permitted by the Department of Codes & Regulations, Division of Construction Review. Regulations for temporary and permanent signage should be reviewed prior to design and purchase.

Contact: Louisville Metro Planning & Design Services, 502.574.6230

PARKING – Land Development Code 4.3.19 Live/Work Units states: One parking space shall be provided for every dwelling unit created within the Live/Work Unit. Adjacent on-street parking spaces, garages, carports or driveways may be used to satisfy this requirement in accordance with Section 9.1.10 of this Code. In the event the Live/Work Unit includes gallery, display or retail space, additional parking shall be provided in accordance with the standards for Libraries, Museums, Art Galleries and similar uses contained in Section 9.1.9 of this Code. Where employees will work at the Live/Work Unit, one parking space per employee during the maximum shift shall be provided. Where clients/customers will come to the Live/Work Unit, parking shall be provided in accordance with the standards for General/Professional Office Use pursuant to Chapter 9 of this Code. Parking calculations for Live/Work Units shall be subject to the off-street parking reductions contained in Chapter 9 of this Code.

Contact: Louisville Metro Planning & Design Services, 502.574.6230

HISTORIC PRESERVATION DISTRICTS, & OVERLAY DISTRICTS

Any changes to a building in a historic district, or a designated Landmark, will require approval of the Historic Landmarks and Preservation Districts Commission, established by the City. Exterior changes to buildings or properties in Overlay Districts require application, review, and approval by the Urban Design team in Planning & Design.

Louisville presently has seven regulated Local Preservation Districts – Butchertown, Cherokee Triangle, Clifton, Limerick, Old Louisville, Parkland and West Main Street. There are more than 60 Individual Local Landmarks. The application for each of the Preservation Districts is at the following website: www.louisvilleky.gov/PlanningDesign/Historic+Landmarks+and+Preservation+Districts+Commission.htm

Check for Preservation District designation using link: <http://www.louisvilleky.gov/PlanningDesign/IWantTo/Find+a+Zoning+District.htm>

Contact: Louisville Metro Planning & Design Services, Landmarks Commission or Urban Design Team, 502.574.6230

KENTUCKY HISTORIC PRESERVATION TAX CREDIT – Up to 30% of qualified rehabilitation expenses are offered as a state tax credit for owner-occupied residential properties. A minimum investment of \$20,000 is required, with the total credit not to exceed \$60,000.

Contact: Kentucky Heritage Council 502.564.7005
<http://heritage.ky.gov/incentives/kytaxcred/>

SUBMITTING A SITE PLAN

If your business is locating to a property that needs any redevelopment or new construction, you may be required to submit a site plan and go through a review process with Louisville Metro Planning & Design Services. This review will consider all aspects of the design of the property, including traffic movement in and around the site, landscaping and parking. Most site plan reviews are coordinated with multiple reviewing agencies.

Contact: Louisville Metro Planning & Design Services, 502.574.6230
<http://www.louisvilleky.gov/PlanningDesign/Applications+and+Submittal+Requirements.htm>





✓ BUILDING CODE

Louisville Metro uses the current code in effect for the State of Kentucky. The 2013 Kentucky Building Code (KBC) applies to most buildings used for Live/Work space. The Kentucky Residential Code (KRC) applies to live/work space within a single family residential building. Both can be found here:

Contact: Louisville Metro Department of Codes and Regulations 502-574-3321
<http://dhbc.ky.gov/Pages/default.aspx>

✓ CHANGE OF USE PERMIT

Change of Use Permit - required when introducing a new use/occupancy as defined by Building Code into another occupancy type. Residential into an existing retail/commercial/industrial building or vice versa are common examples. Home offices such as a computer room but no employees, customers, retail use, etc would not be a change of use.

Contact: Louisville Metro Department of Codes and Regulations 502.574.3321
<http://www.louisvilleky.gov/ipl/Construction+Review/Permitting+Toolbox+Guides.htm>

✓ CONTRACTORS

Any contractor or subcontractor obtaining a permit must be identified with Louisville Metro. The identification or licensing process requires that the contractors provide proof of workman's compensation, liability and unemployment insurance as required by Kentucky Revised Statutes. Louisville Metro has an identification or license for each permit type. The general/building contractor can obtain parking lot/landscaping permits with their identification license. Proof of holding a State License must be shown to obtain electrical, HVAC, plumbing and sprinkler permits.

Contact: Louisville Metro Department of Department of Codes & Regulations, Division of Construction Review, 502.574.3321
<http://www.louisvilleky.gov/ipl/Construction+Review/Contractor+Licensing.htm>

✓ CONSTRUCTION PERMITS

If you own the property, or are otherwise responsible for renovation or build out of the building (a change to the footprint of the building or modification of any internal walls), you may be required to obtain a building permit. If the new use of the building is a change in use from the prior use, a building permit also referred to as a Change of Use Permit would be required. Depending upon the kind of work that needs to be done, other permits required may include electrical, HVAC, fire detection. Plumbing permits are obtained through the State.

Contact: Louisville Metro Department of Codes & Regulations, Division of Construction Review, 502.574.3321 <http://www.louisvilleky.gov/ipl/Construction+Review/Contractor+Licensing.htm>

✓ AIR PERMITS

Depending upon the kind of work on an existing facility, or equipment, that your business will need to do in order to move in, you may be required to obtain an air permit through the Air Pollution Control District. If you plan to build, install, modify, replace or operate equipment that emits or controls the emission of air pollutants, you will need an air permit.

Contact: Air Pollution Control District, 502.574.6000
<http://www.louisvilleky.gov/APCD/PermitsAndCompliance/default.htm>

✓ FIRE AND SAFETY

The Fire Department may be one of the necessary signatures before a permit is issued or a Certificate of Occupancy is awarded. If your business does not need a building permit for any structural changes to the building, it is always a good idea to contact the fire department to ask if the building is suitable and up to code.

In the Urban Services District

Contact: Louisville Fire, 502.574.3701

<http://www.louisvilleky.gov/LouisvilleFire/>

Outside the Urban Services District

Contact: Suburban Fire Districts

http://www.louisvilleky.gov/LouisvilleFire/Other_Fire_Districts.htm

✓ WASTE REMOVAL

Determine if city services will be available to your business or if you will be required to seek commercial waste removal.

Contact: Metro Solid Waste Management, 502.574.3571

<http://www.louisvilleky.gov/solidwaste/>

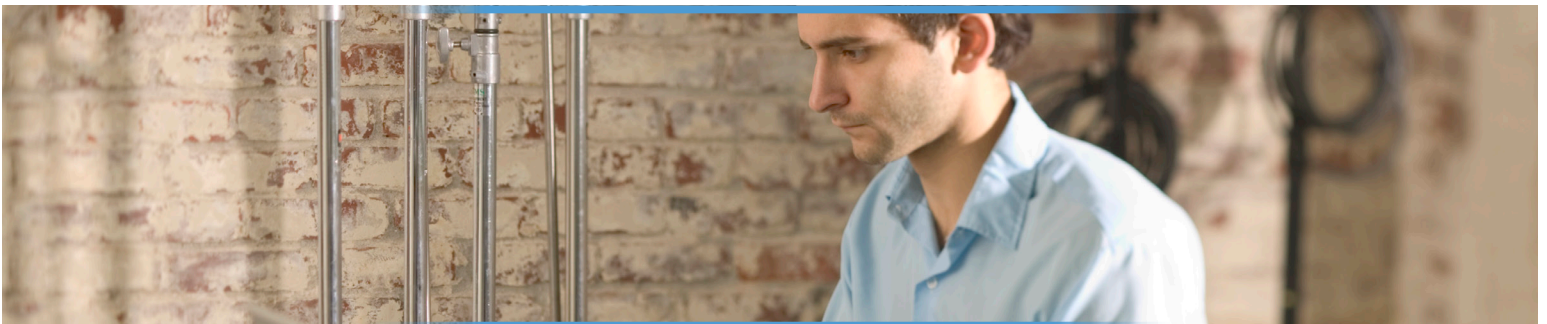
Commercial Waste Disposal:

EcoTech, 502.935.1130, www.ecotechky.com

Rumpke 502.561.0505, www.rumpke.com

Waste Management, 502. 969.2355, www.wm.com

Industrial Disposal Co, 502.638.9000, www.republicservices.com



✓ UTILITIES

Gas/Electricity: Louisville Gas & Electric, 502.627.3313

<http://www.eon-us.com/bsc/lge/default.asp>

Water: Louisville Water Company, 502.583.6610

http://www.louisvilleky.gov/LWC/IWantTo/apply_service.htm

Sewage: Metropolitan Sewer District, 502.587.0603

<http://www.msdlouky.org/business.htm>

GLOSSARY

Abandoned Urban Property: Abandoned Urban Property is any vacant structure or vacant/unimproved lot or parcel of land in a predominantly developed urban area which has been vacant or unimproved for at least one (1) year, AND: a) is unfit for its intended use because it is dilapidated, unsanitary, unsafe, vermin-infested, or poses a danger to public health and safety; OR b) by reason of neglect or lack of maintenance has become a place for the accumulation of trash and debris; OR c) has become tax delinquent for a period of at least three years. Property classified as Abandoned Urban Property is established as a separate classification of real property taxes, which is an accelerated tax rate.

Building Code: The 2013 Kentucky Building Code and associated, referenced codes and standards.

Change of Use Permit: A permit obtained from the Division of Construction Review when the use of a building changes. The new use may have different or more stringent building code requirements such as egress, sprinklers, fire ratings, etc.

Construction Permits: A permit obtained from the Division of Construction review for new construction, alterations of existing construction. Can include Wrecking, Sign, Electrical, HVAC, etc

Form District: A designation of a property under the Land Development Code (LDC) that designates its physical characteristics. The LDC then guides future improvements and construction to maintain the physical characteristics, or form, of that district.

Historic Landmarks and Preservation Districts Commission: The Historic Landmarks and Preservation Districts Commission is an official body of Metro Louisville Government and it is established by Ordinance 32.250 of the Metro Louisville Code of Ordinances. Commissioners are appointed by the Mayor subject to the approval of Metro Council.

Historic Preservation: Preservation of a historic building. Locally designated properties are under the purview of the Historic Preservation Districts and Landmarks Commission (Landmarks Commission.) Nationally designated properties are not regulated by the Landmarks Commission, unless they are in a local preservation area, but may be subject to federal oversight when use of federal funds or tax benefit are used to preserve or renovate the property.

Kentucky Revised Statutes: The body of laws governing the Commonwealth of Kentucky, United States.

Land Bank Authority Inc.: represents a cooperative effort by the major taxing authorities in Louisville Metro to deal with unoccupied, neglected, tax-delinquent properties throughout the community. The Land bank Authority acquires manages and sells distressed properties and vacant unimproved parcels to responsible developers who can affect increased property values and stimulate the tax base.

Landmarks Certificate of Appropriateness: The approval document issued by the Landmarks Commission for exterior alterations to buildings and properties regulated by the Landmarks Commission.

Live/Work Unit: A structure or structures held in single ownership and containing one of the following: (1) commercial or office use not to exceed more than 50 percent of the floor area and residential use which shall include the balance of the remaining floor area, or (2) residential use which utilizes up to 100 percent of the floor area. Regardless of the zoning district, Live/Work Units shall be considered a residential use. Land Development Code Chapter 1.2.2

Louisville Metro Department of Economic Growth and Innovation: A department of Louisville Jefferson County Metro Government that fosters a robust business climate, by promoting job creation, helping business navigate potential financing, meeting workforce needs, creating amenities within our region, and balancing growth by enhancing the environment, in order to improve the quality of life in Louisville Metro.

Louisville Metro Planning and Design: A division within the Department of Codes & Regulations that regulates land use, density, and building location & massing. This division is staff to the Planning Commission and Board of Zoning Adjustment. This division also includes the Landmarks Commission and the Urban Design Team.

Overlay district: An area within Louisville Metro designated as an Overlay District. Exterior changes to building and properties require prior review and approval by the Urban Design team in Planning & Design Services in the form of an Overlay Permit.

Parking: New development requires consideration of parking. Parking requirements are stated in the Land Development Code.

Signs: Signage is regulated by LMCO 155 and Chapter 8 of the Land Development Code. Signage requires a Sign Permit from the Division of Construction Review.

Site Plan: A drawing of the property in plan view, to a scale, showing property lines, and site items such as buildings, parking areas, easements. Site plans may require more information depending on the type of review required.

Solid Waste Management – a division of Louisville Metro Public Works & Assets, offers a variety of services that make waste disposal both convenient and environmentally sound. We provide garbage, yard waste, recycling and junk collection in the Urban Services District and promote waste reduction and recycling throughout Louisville Metro. Private waste haulers, regulated by the Metro Waste

Management District, provide household waste removal in the Suburban Areas.

Tax Moratorium: A temporary moratorium on property taxes on improvements to specific properties to encourage development without incurring an immediate tax burden. These are administered as part of the building permit process in conjunction with PVA.

Utilities: Services to a site such as gas, water, electric, sewer, etc.

Zoning District: Any area within Jefferson County delineated on the Zoning District Map to which a set of regulations governing permitted land use, density and intensity of development applies. Zoning Districts where live/work is permitted: in Traditional Form Districts only, R-4, R-5, R5-A, R5-B; in all Form Districts, R-6, R-7, R-8A, OR, M-1, M-2, M-3, and EZ-1. Regardless of the zoning district, Live/Work Units shall be considered a residential use.

1.2.2 DEFINITIONS

Live/ Work Unit – A structure or structures held in single ownership and containing one of the following: (1) commercial or office use not to exceed more than 50 percent of the floor area and residential use which shall include the balance of the remaining floor area, or (2) residential use which utilizes up to 100 percent of the floor area. Regardless of the zoning district, Live/Work Units shall be considered a residential use.

4.3.19 Live/Work Units

This use may be permitted outside a Planned Village Development or other special zoning district in accordance with the standards listed below. Regardless of the zoning district, Live/Work Units shall be considered a residential use.

A. The Live/Work Unit must be located in one of the following zoning districts: in Traditional Form Districts only, R-4, R-5, R5-A, R5-B; in all Form Districts, R-6, R-7, R-8A, OR, M-1, M-2, M-3, and EZ-1. Regardless of the zoning district, Live/Work Units shall be considered a residential use.

B. The Live/Work Unit must be owned or leased by an individual or group of individuals who will reside and work in the space.

C. The following commercial uses are permitted:

1. Arts and crafts studios, including painting, sculpture, printmaking, wood working, welding, open flame work, weaving and other fabric arts and crafts, ceramics, photography, film, video, photography, graphic design, jewelry, textiles, music production, and other forms of arts or crafts activities, including the culinary arts. The sale of products produced in the space, and the creation of public gallery or other retail space is expressly permitted for these arts and crafts activities only.

2. Professional services including accountants, architects, attorneys, consultants, engineers, home-based office workers, insurance, real estate and travel agents

3. One-on-one instructors

4. Computer software and multimedia professionals

D. Live/Work Units may consist of a single dwelling unit and related work space, including work space provided in an accessory building, or two or more dwelling units and related work spaces within a building or group of buildings on a property, within the density requirements of the underlying zoning district. Live/Work Units consisting of two or more dwelling units may provide individual or shared work spaces, gallery and retail spaces for arts and crafts activities permitted in subsection C above in accessory buildings or in spaces not connected to residential areas.

E. An active license to conduct business within the jurisdiction shall be associated with the Live/Work Unit at all times, and proof of this license shall be presented as part of any application for live/work space under this section.

F. One parking space shall be provided for every dwelling unit created within the Live/Work Unit. Adjacent on-street parking spaces, garages, carports or driveways may be used to satisfy this requirement in accordance

with Section 9.1.10 of this Code. In the event the Live/Work Unit includes gallery, display or retail space, additional parking shall be provided in accordance with the standards for Libraries, Museums, Art Galleries and similar uses contained in Section 9.1.9 of this Code. Where employees will work at the Live/Work Unit, one parking space per employee during the maximum shift shall be provided. Where clients/customers will come to the Live/Work Unit, parking shall be provided in accordance with the standards for General/Professional Office Use pursuant to Chapter 9 of this Code. Parking calculations for Live/Work Units shall be subject to the off-street parking reductions contained in Chapter 9 of this Code.

G. In all cases, Live/Work Units must be used in a manner that minimizes impacts to adjacent property owners, including providing all necessary liability protections for the non-residential use, and that complies with all applicable provisions of the Louisville Metro Code of Ordinances and state law, including those pertaining to noise, odor and other nuisances.



CONTACTS:

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